

## DANIELS SHIFT LAID TO PARLEY WITH BRITAIN

House Negotiates Agreement Without Knowledge of U. S. Naval Mission.

ADMIRAL BENSON AMAZED

Deal May Be for Limiting of New Construction to Replacements.

By a Staff Correspondent of The Sun.

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PARIS, May 28.—The abandonment of

postponement by Secretary Daniels

of the big navy programme is the result

of secret negotiations which have been

carried on here for some months by

Col. E. M. House and the heads of

the British delegation. It is evident

that some agreement has been reached

which is considered of the greatest

importance as affecting each nation's

future, possibly limiting new construction

to replacements.

The astonishing fact is that Secretary

Daniels' statement was an absolute

surprise to Admiral Benson, head

of the American naval mission, which

strongly disapproves of it. Admiral

Benson repeatedly has pressed upon

Secretary Wilson the view that the

American navy must be the equal

of the British or the League of Nations

will be dominated by Great Britain.

Col. House's negotiations were carried

on without the knowledge of the

President's own naval advisers here.

The result represents a complete re-

versal of the first attitude to chal-

lenge Great Britain's supremacy, and

recalls the secret Padgett letter last

spring in which the President said the

onward programme was necessary for

his purposes here.

Nothing then existed in Great Brit-

ain, nor in Europe generally, so far

as was apparent, to make this pro-

gramme necessary; in fact, Europe

saw an absolute inconsistency with

the President's League of Nations

and his principles. It was regarded as

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There is much speculation now as to

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operations, told the committee that not less than sixteen first class battleships with a total complement of 20,886 men would be kept in commission as a peace time force. The Admiral was closely questioned by committee members regarding the possibility of making radical reductions in the complements of the first class ships. He pointed out that such reductions would mean a large saving to the Government and would be consistent with the idea of post-war economy.

Admiral McKean made it plain that he was not in favor of large reductions. He said the personnel of a ship could not be decreased without decreasing the vessel's efficiency.

British Pattern After U. S.

Admiral McKean said fewer men were used on British ships than on American craft of the same type, due partly to the fact that Great Britain has more men trained to the work, and partly to the fact that the British term of enlistment is longer.

"I want to say, though," the Admiral added, "that the British are not a whit more efficient than our men. As a whole, I believe our men stack up better, taking everything into consideration. This is proved in part by the fact that the British navy is patterning itself in many ways after ours."

The cost to the United States of each man in the navy averages \$1,200 a year, the cost in the British navy is \$1,000.

Decision of the board was reached after hearing the views of Rear Admiral Taylor, Earle and Griffin, chief of the British navy, and the Secretary of the Navy, who accompanied the Secretary on the recent trip to Europe. While aboard the officers discussed with the British officials the relative merits of the two navies, and the British officials found little favor there for the composite ship, such as Great Britain built during the war.

Work on the six battle cruisers was suspended by Secretary Daniels pending his trip, but it is understood that the ships will be completed as soon as possible. The American navy is now without any ships of this class.

Representative Hines (New York) engaged in a lively discussion with Admiral McKean regarding the early discharge of men from the navy. Mr. Hines said the discontent among the people over the navy's holding the men was widespread and asked if the Admiral did not think it would be possible to reduce the complement of the fleet by the number actually needed to satisfy the demand and then later recruit up to the necessary number.

"We are keeping the men because we have to," the Admiral replied. "We dare not let the navy drop because of the state of unpreparedness which such a decrease would result in. If we did, any one could come along and bump us off."

"I don't see where we can go any further than we have. Two-thirds of our fighting ships have been placed in reserve, but the battleships and destroyers we must keep. We should not even be adding the army in bringing back our soldiers from Europe."

"Is not that of the greatest importance at this time?" Mr. Hines asked.

"Our duty is higher than bringing the men back," Admiral McKean said. "Our duty is to guard the country from danger. It is almost a sacrilege to use our ships for transport."

"What is the danger you fear?" asked Mr. Hines.

"I don't know, but we must be prepared to face it," the Admiral answered.

EDGE STUDIES CREDIT BILL.

May Introduce Foreign Finance Corporation Measure.

Special Dispatch to The Sun.

WASHINGTON, May 28.—Senator Edge

(N. J.) said today that he was making

a careful examination of the bill drawn

by Senator Owen (Oklahoma), retiring

chairman of the Banking and Currency

Committee, creating a foreign finance

corporation to make a market in the

United States for foreign securities and

thereby help to stabilize foreign ex-

change, particularly with European

nations. The bill was a subject of con-

ference between the two Senators to-

day and it was decided that Senator

Edge should have the opportunity of

introducing it because he is a Republi-

can and that fact may give it some

advantage in the Senate. The bill fol-

lows the line of Senator Owen's state-

ment to The Sun last night.

Although he has not had an oppor-

tunity to make a thorough examination

of the measure, Senator Edge said he

realizes the importance of the bill and

sought, and if he finds the measure will

accomplish the end desired, will intro-

duce it in a short time. He asserted

that if the bill is not introduced by

Senator Edge or some other Republi-

can in a reasonable time he will pre-

pare a measure himself and exert every

effort to get it passed.

KILL DAYLIGHT REPEAL BILL.

Rules Committee Detaches It From

Agricultural Appropriation.

Special Dispatch to The Sun.

WASHINGTON, May 28.—The effort to

repeal the "daylight saving" law by a

ride to the agricultural appropriation

bill failed in the House today, when

the Rules Committee declined to bring

it in a special rule to make it in order.

If an effort is made to make the repeal

an amendment to the appropriation bill,

it will be knocked out on a point of

order as "new legislation."

The action of the Rules Committee

was not impelled by any merit or de-

merit of the "summer time" schedule,

but because of determination to follow

strictly the policy of not permitting ex-

traneous legislation to become a part

of any appropriation measure.

SMITH RAKES PAINTING JOB.

Calls Agricultural Hall Work

Grossly Incompetent.

Special Dispatch to The Sun.

ALBANY, May 28.—Gov. Smith today

characterized the State Department of

Public Buildings as grossly incompetent

in the management and direction of the

job of painting a room in Agricultural

Hall here, where the work was under

the supervision of Thomas H. McDonough

Troy, superintendent of the department.

The characterization was made in a talk

with newspaper men after the trustees

of public buildings had adjourned the

inquiry into the department's affairs

until June 6.

At to-day's hearing the State archi-

tect was directed to prepare an estimate

of what the painting work really was

worth. The bill presented by a Troy

contractor engaged by McDonough was

\$134.

## WILSON THIRD TERM DEPENDS ON LEAGUE

Chairman Cummings So Opines at Meeting of Democratic National Committee.

DEFEAT MIGHT FORCE HIM

McAdoo and Palmer Likely

Candidates if Covenant Is

Accepted by Senate.

CHICAGO, May 28.—Describing the

Republican party as an organization

which "complains and moves backward"

and the peace treaty and the League

of Nations covenant as "the greatest

document of human liberty ever pre-

pared," Chairman Homer S. Cummings

of the Democratic National Committee

today sounded the keynote for an ag-

gressive Presidential campaign in 1920.

Party leaders declared they welcomed

the opportunity to make the peace treaty

and the League of Nations covenant the

issue in the forthcoming fight and ex-

pressed confidence of victory.

Until President Wilson definitely an-

nounces his attitude toward a third

term, party chieftains say there will be

no serious discussion of candidates.

President Wilson's candidacy for a

third term will be determined largely by

the fate of the League of Nations, in

the opinion of Chairman Cummings.

"While I have no information regard-

ing President Wilson's intentions about

becoming a candidate for a third term, I

believe the question largely rests on the

fate of the League of Nations," said Mr.

Cummings. "If the League of Nations

is accepted, the chance of defeat, and

this to my mind is unthinkable, the pres-

sure brought to bear on the President to

run again would be very great, and I

am certain that he would be re-elected.

If the League of Nations is successful I

do not think the pressure would be

nearly as great."

In the absence of definite word from

President Wilson on the subject there

was little gossip of candidates among

the party leaders. The names most fre-

quently mentioned were William G. Mc-

Adoo, formerly Secretary of the Treas-

ury, and Joseph Mitchell, former United

States Attorney-General, who will ad-

dress the committee to-morrow night.

Every State was represented by either

a committee man or a proxy when Chair-

man Cummings called the body to order

in a session which formally marks the

opening of the Presidential campaign of

1920.

Urges Closer Cooperation.

Chairman Cummings praised the record

of progressive achievement of the

Democratic National Administration,

and said the Republican party again is

falling under reactionary leadership, as

indicated by the recent organization of

the party organization in preparing for

the next national campaign, and re-

ferred to the important part women will

take in future political activities.

Mr. Cummings said he expected to

visit every State in the Union before re-

turning to New York in August. He said

the party headquarters would remain in

Chicago and perhaps other cities later.

In a few days he will appoint a number

of committees to take up active work for

the next Presidential campaign.

"This meeting to-day marks the open-

ing of an active and militant campaign

for 1920," Chairman Cummings said to

the committee. "We are able to point

with pride to the record of President

Wilson and the Democratic National

Administration in the matter of pro-

gressive legislation.

"Golden Age of Achievement."

"From the passage by Congress of the

income tax law to the establishment of

the Federal Reserve Bank system the

movement of the Democratic party has

been steadily forward. When war came

and seemed for a time as if daylight had

dropped from the world, the Demo-

cratic party successfully led the country

through that dark critical period. No

matter what criticism may say, history

will record this period as the golden age